

SENATE BILL No. 373

DIGEST OF INTRODUCED BILL

Citations Affected: IC 27-2-21.

Synopsis: Insurer use of credit information. Prohibits use of credit information in connection with insurance coverage. Repeals certain statutes concerning use of credit information by insurers in connection with the issuance of a personal insurance policy.

Effective: July 1, 2004.

Howard

January 12, 2004, read first time and referred to Committee on Insurance and Financial Institutions.

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Introduced

Second Regular Session 113th General Assembly (2004)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2003 Regular Session of the General Assembly.

SENATE BILL No. 373

A BILL FOR AN ACT to amend the Indiana Code concerning insurance.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 27-2-21-5, AS ADDED BY P.L.201-2003,
2 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2004]: Sec. 5. As used in this chapter, "consumer" means an:

4 (1) insured whose:

5 (A) credit information is used; or

6 (B) insurance score is calculated;

7 in the underwriting or rating of a ~~personal~~ **an** insurance policy; or

8 (2) applicant for a ~~personal~~ **an** insurance policy.

9 SECTION 2. IC 27-2-21-7, AS ADDED BY P.L.201-2003,
10 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
11 JULY 1, 2004]: Sec. 7. As used in this chapter, "credit information"
12 means credit related information:

13 (1) derived from a credit report;

14 (2) found on a credit report; or

15 (3) provided on an application for a ~~personal~~ **an** insurance policy.

16 The term does not include information that is not credit related,
17 regardless of whether the information is contained in a credit report or

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in an application or is used to calculate an insurance score.

SECTION 3. IC 27-2-21-8, AS ADDED BY P.L.201-2003, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 8. As used in this chapter, "credit report" means a written, an oral, or another communication of information by a consumer reporting agency concerning a consumer's creditworthiness, credit standing, or credit capacity that is used or expected to be used or collected as a factor to determine ~~personal~~ insurance policy premiums, eligibility for coverage, or tier placement.

SECTION 4. IC 27-2-21-9.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: **Sec. 9.7. As used in this chapter, "insurance" has the meaning set forth in IC 27-1-2-3.**

SECTION 5. IC 27-2-21-12, AS ADDED BY P.L.201-2003, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 12. As used in this chapter, "insured" means an individual entitled to coverage under a ~~personal~~ **an** insurance policy.

SECTION 6. IC 27-2-21-13, AS ADDED BY P.L.201-2003, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 13. As used in this chapter, "insurer" ~~refers to an insurer (as defined in IC 27-1-2-3) that issues a personal insurance policy.~~ **has the meaning set forth in IC 27-1-2-3.**

SECTION 7. IC 27-2-21-15.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: **Sec. 15.5. An insurer may not use credit information in connection with:**

(1) the issuance, underwriting, renewal, cancellation, or denial of insurance coverage; or

(2) any other action related to insurance coverage.

SECTION 8. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2004]: IC 27-2-21-1; IC 27-2-21-2; IC 27-2-21-3; IC 27-2-21-4; IC 27-2-21-9; IC 27-2-21-10; IC 27-2-21-14; IC 27-2-21-15; IC 27-2-21-16; IC 27-2-21-17; IC 27-2-21-18; IC 27-2-21-19; IC 27-2-21-20; IC 27-2-21-21; IC 27-2-21-22.

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